

VA Financial Policies and Procedures  
VA's Accounting Classification Structure

**CHAPTER 1A**

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## 0101 OVERVIEW

This chapter establishes the Department of Veterans Affairs (VA) financial policies and procedures regarding VA's accounting classification structure and information used to meet Governmentwide reporting and financial requirements. This information includes, but is not limited to, elements such as the standard general ledger agency location codes, station numbers, budget object codes, revenue source codes, accounting classification codes, and other codes that enable VA to correctly identify and report their financial information and performance.

The chapter also discusses the proper use and procedures for assigning and managing the VA station numbers (part of the accounting classification structure) and processing journal entries to enter, adjust, or correct accounting and financial information. Refer to Volume II, Appropriations, *Funds and Related Information*, and Volume XIII, *Cost Accounting*, for additional information on VA's budget cycle, funds, and information on revenue and cost accounting.

The primary sources of standardization for classifying the financial effects of the Federal government's business operations—and deriving the Common Governmentwide Accounting Classification Structure (CGAC) —are:

- Office of Management and Budget (OMB) - OMB provides guidance and standards for preparing financial reports, classifying the budget, and implementing financial management systems.
- Department of the Treasury Financial Management Service (FMS) - Treasury's FMS publishes the Treasury Financial Manual (TFM), which provides guidance to Federal agencies on central accounting and reporting and on other fiscal matters. The underlying purpose of Treasury's guidance is to make it possible to consolidate accounting results of all agencies and to report on the financial operations of the Federal government.
- Chief Financial Officer Council (CFOC)<sup>1</sup> - On behalf of the CFOC Financial Line of Business (FMLoB), Financial Systems Integration Office (FSIO) provides a model for integrated financial management systems in the Federal government.
- Federal Accounting Standards Advisory Board (FASAB) - FASAB is responsible for developing accounting standards for the U.S. Government. These standards are recognized as generally accepted accounting principles (GAAP) for the Federal government and are applied by Federal agencies in preparing financial statements.

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<sup>1</sup> The Council was established under the provisions of the CFO Act of 1990 to advise and coordinate the activities of the agencies of its members on such matters as consolidation and modernization of financial systems, improved quality of financial information, financial data and information standards, internal controls, legislation affecting financial operations and organizations, and any other financial management matter. As part of a reorganization, functions previously performed by a separate organization [Financial Systems Integration Office \(FSIO\)](#), were integrated into the CFOC FMLoB as a transformation team.

The Chief Financial Officer (CFO) has the immediate responsibility to ensure that an accounting classification structure for the integration of appropriation (or fund), property, revenue, and expense accounting are used and maintained. The accounting classification structure must accomplish the following tasks:

- Provide managers with accurate and complete financial data, including total operating expenses and total acquisition cost of real and personal property;
- Provide a uniform treatment of similar accounting transactions used by all VA organizations;
- Produce significant expense and cost information concerning programs, projects, and other activities, in accordance with internal management needs;
- Facilitate the development of accounting system improvements in the future; and
- Provide appropriation and fund data to meet reporting requirements of the OMB, Treasury, and the Chief Financial Officers Act of 1990, as well as to provide other financial data, as needed, for both internal and external reporting requirements. Refer to Volume VII, *Financial Reporting*, for additional information.

## **0102 POLICIES**

010201 ACCOUNTING CLASSIFICATION STRUCTURE. To aid CFOs in their responsibilities for ensuring an accounting classification structure meets the needs of the government, the CGAC was developed and general Federal guidance issued in the [Federal Financial Management Standards, Overview of the CGAC](#). The CGAC guidance encompasses many aspects of classifying the financial effects of government business activities beyond the accounting classification structure, to include, document and transaction control, document referencing and modification, system generated transactions, and audit trails. For purposes of this chapter, only the accounting classification is discussed. A number of standards exist for classifying financial transactions; however, the standards provide latitude for each agency to develop its own classification structure. As a result, the classification structures used in agency systems vary from agency to agency and sometimes within the same agency.

The CGAC is comprised of elements that are entered on a transaction or derived for proper recording and reporting. An example of this is the use of an agency-assigned internal fund code (entered on a transaction) to derive the full Treasury Account Symbol (TAS) used for reporting. Both the internal fund code and the derived TAS are considered elements of the accounting classification structure.

As outlined in the CGAC guidance, the following minimum elements are required in the accounting classification structure. Elements that may be derived are marked with an asterisk.

- Treasury Account Symbol (TAS)\*,

- Budget Fiscal Year,
- Accounting Period,
- Internal Fund Code,
- Organization (Station Number),
- Program, Project, and Activity\* (Accounting Classification Code or Construction Project Code),
- Cost Center,
- Object Class (Budget Object Code),
- Revenue Source (Code), and
- Budget Function, and Budget Sub-Function Code\*.

Refer to [Appendix A, VA Accounting Classification Structure](#) for additional details and reference information.

010201.01 VA will maintain the accounting classification structure elements and definitions to ensure they are uniform and provide consistency in budget and accounting treatment, classification, and reporting. Each classification element will be maintained independently. For example, budget fiscal year must be maintained as a separate value from the period of availability component in the Treasury Appropriation Fund Symbol (TAFS). The subsections below identify VA policy specific to the elements.

A. Treasury Account Symbol, Budget Fiscal Year, and Internal Fund Code. VA will maintain appropriation fund codes in accordance with Treasury guidance. Refer to Volume II, Chapter 2, *VA's Budget Cycle and Fund Symbols*, for policy and procedures.

B. Station Numbers. Station numbers are the official identification numbers for funding and budgetary purposes and for describing the sphere of authority of an organizational entity designated by the Secretary. A uniform station number system provides a unique identifier for each station and allows for easier association and integration of data among systems which require unique identification in automated information systems (AIS). Refer to [Appendix B, VA Station Numbers](#), for detailed information on the procedures to follow.

1. The Deputy Assistant Secretary (DAS) for Finance will appoint a designee to act on his or her behalf as the VA Station Identification Officer who is responsible for approving, assigning, and maintaining the VA station number system.

2. VA Administrations and other Staff Offices will designate an individual who will service as a station number liaison on all station number matters affecting proposed changes to their particular field facilities. The liaison will be responsible for ensuring that the official request is accurate, complete and forwarded to the DAS for Finance in the timeframe as specified on [Appendix B, VA Station Numbers](#).

3. VA Administrations and other Staff Offices will obtain an official approval for the activation, retirement or change in status of a station from the DAS for Finance through the VA Station Identification Officer.

- a. Requests for a new station number will be made prior to the allocation of funds for any purpose associated with the new station.
- b. Requests for other actions that affect the status of VA stations, such as consolidation or decentralization of medical centers or medical and regional office centers; activation of satellite facilities; consolidation of satellite facilities with independent outpatient clinics; or change in address, district, or region) will be made in accordance with the procedures outlined in [Appendix B, VA Station Numbers](#).

4. VA will use a three-digit station number for a VA installation or a combination of a three-digit station with a two-digit suffix for a parent relationship with substations for purposes where a coded station identifier is required. The three-digit number ranges by functional areas of responsibility and station suffix modifiers (substations) are listed in [Appendix B, VA Station Numbers](#).

C. Accounting Classification Codes (ACC). The ACC provides VA the means to categorize financial information to support budget execution and reporting functions. The ACC generally represents the lowest level of budget distribution. Refer to VA Volume II, Chapter 2, *VA's Budget Cycle and Fund Symbols*, for additional information on the budget process, and [Appendix A, VA Accounting Classification Structure](#).

1. VA will ensure that the ACC data elements and definitions are uniform and efficient for budget and accounting treatment, classification, and reporting.

2. VA will integrate budget and accounting activities by synchronizing their accounting classifications and relationships.

D. Cost Centers. Refer to Volume XIII Chapter 1, *Cost Centers*, for policy, procedures, and detailed information.

E. Budget Object Codes (BOC). Refer to Volume XIII Chapter 2, *Budget Object Codes*, for policy, procedures, and detailed information.

F. Revenue Source Codes. The revenue source code is used within an agency's revenue system to track the life of revenue from the initial order, processing, and finally to output providing a history of financial activity related to the receipts. Refer to [Appendix C, VA Revenue Source Codes](#), for additional information.

1. VA will comply with the revenue recognition as required by FASAB, Statement of Federal Financial Accounting Standards (SFFAS) 7: Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting, and OMB A-11, Budget Preparation, Submission, and Execution of the Budget.

2. VA will maintain a revenue system, inclusive of revenue source codes, that will provide the capability to trace transactions from their initial source through all stages of

related system processing. VA activities that generate income and are identified with associated revenue source codes, include, but are not limited to, donations, rental income, enhanced-use leasing, and recycling and waste reduction programs.

3. VA Administration Chief Financial Officers, or their designees, or the heads of applicable staff offices or their designees<sup>2</sup> will approve revenue source codes prior to implementation.

4. VA managers will ensure that revenue source codes for transactions are being used appropriately and an effective audit trail is maintained. These audit trails are essential for daily operations of the system because they allow for the detection and systematic correction of errors.

010201.02 UNITED STATES STANDARD GENERAL LEDGER (USSGL). In addition to the elements above, an accounting classification structure must support government-wide information standards such as the USSGL external reporting requirements of Treasury. The USSGL guidance is composed of five major sections: (1) Chart of Accounts; (2) Account Descriptions; (3) Accounting Transactions; (4) Account Attributes; and (5) Crosswalks to Standard External Reports. The Treasury Financial Management Service (FMS) USSGL guidance is intended to provide the minimum basic structure of accounting transactions required to ensure consistent treatment and reporting of similar transactions. Refer to [Appendix D, VA SGL Accounts](#), for additional information on assigning and maintaining the USSGL specific to VA.

A. VA may use SGL accounts in the financial management system that are more detailed than the USSGL chart of accounts when it is deemed necessary and the internal SGLs are rolled into a valid USSGL.

B. VA will maintain and record the SGL to account for all appropriations and funds activities, regardless of the source of funds, in VA FMS<sup>3</sup>. VA will maintain fund identification of financial resources to: (1) disclose and comply with financial authorizations and (2) prepare reports on the status of funds for the Congress, the OMB, and Treasury.

C. VA will record all transactions (e.g., resources acquired and used by VA and claims against those resources) to the appropriate SGL (transaction level) in VA FMS.

D. VA will use the USSGL guidance, including the crosswalks, to ensure that both internal and external reporting requirements are properly prepared and submitted.

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<sup>2</sup>A list of personnel approved to submit a request for revenue source codes will be furnished to the Director of VA's FMS Service at the beginning of each fiscal year, starting with fiscal year 2009.

<sup>3</sup> VA's General Ledger Account Table (GLAC) resides within FMS and contains a list of SGL accounts.

010201.03 AGENCY LOCATION CODES (ALC). The ALC is a unique symbol<sup>4</sup> assigned by Treasury FMS for reporting purposes. Refer to [Appendix E, VA Agency Location Codes](#), for a listing of current VA ALCs.

A. VA will include the ALC on correspondence, forms, and other documentation forwarded to financial institutions, Treasury Financial Management Service (FMS), other Federal agencies, and Regional Finance Centers.

B. VA will ensure that ALCs will be used to report receipt and disbursement cash transactions (to include, Standard Form (SF) 215s: Deposit Tickets, and/or related SF 5515s: Debit Vouchers)) and classify them according to appropriation, fund, and receipt account. For example, the Treasury FMS 224, Statement of Transactions is reported by ALC. Refer to Volume VII Chapter 7, Miscellaneous Reporting Topics - FMS 224, for additional information and guidance.

C. VA will submit ALC requests, to include, new or cancel requests, to Treasury FMS at least 30 days before the requested effective date.

D. VA Office of Financial Policy will assign a central point of contact (POC) to maintain the ALC list and provide Treasury FMS with the name, telephone number, and address of one contact person per designated ALC. The central POC will notify Treasury of the designations or subsequent changes. Request for designations or changes will be submitted to the designated POC in accordance with procedures identified in [Appendix E, VA Agency Location Codes](#).

#### 010202 DOCUMENTING FINANCIAL CHANGES THROUGH JOURNAL ENTRIES.

VA will record changes to the financial information either through a standard journal entry or a non-standard journal entry. For journal entries that are required to be entered by another finance activity or a non-standard journal entry, the Optional Form (OF) 1017-G, will be used to document the transaction. Refer to Section 010503 and [Appendix F, OF 1017-G, Journal Voucher, Procedures](#), for additional information and guidance.

### 0103 AUTHORITY AND REFERENCES

010301 [31 U.S.C. 1534, Adjustments between Appropriations](#)

010302 [31 U.S.C. 1535, Agency Agreements \(The Economy Act\)](#)

010303 [Federal Financial Management Improvement Act \(FFMIA\) of 1996](#)

010304 [Chief Financial Officers \(CFO\) Act of 1990](#)

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<sup>4</sup> In most cases, the first two digits of an 8-digit ALC identify the department or agency, the next two digits identify the bureau, and the last 4 digits identify the specific agency account section within the bureau.



- 010305 [Statement of Federal Accounting Standards \(SFFAS\), No. 1, \*Accounting for Selected Assets and Liabilities\*](#)
- 010306 [SSFAS 4, \*Managerial Cost Accounting Concepts and Standards\*](#)
- 010307 [SSFAS 5, \*Accounting for Liabilities of the Federal Government\*](#)
- 010308 [SFFAS 7, \*Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting\*](#)
- 010309 [OMB Circular A-11, \*Preparation, Submission and Execution of the Budget\*](#)
- 010310 [OMB Circular A-127, \*Financial Management Systems\*](#)
- 010311 [OMB Circular A-136, \*Financial Reporting Requirements\*](#)
- 010312 [TFM US Standard General Ledger](#)
- 010313 [TFM Volume I, Part 2, Chapter 2500, \*Expenditure Transactions between Appropriation, Fund, and Receipt Accounts\*](#)
- 010314 [TFM Volume I, Part 2, Chapter 3300, \*Statement of Transactions \(FMS 224\) Reporting by Agencies for Which the Treasury Disburses\*](#)
- 010315 [TFM Volume I, Part 2, Chapter 4000, \*Federal Agencies' Centralized Trial-Balance System\*](#)
- 010316 [CFO Council Web Site](#)
- 010317 [Financial Systems Integration Office \(FSIO\), Federal Financial Management Standards, Common Government-wide Accounting Classification Structure, July 2007 and Office of Federal Financial Management, Core Financial System Requirements \(OFFM-NO-0106\), January 2006](#)
- 010318 [OFP Publications Library](#)
- 010319 [VA Forms](#)

#### **0104 ROLES AND RESPONSIBILITIES**

010401 The Assistant Secretary for Management and Chief Financial Officer (CFO), oversees all financial management activities relating to the Department's programs and operations, as required by the Chief Financial Officers Act of 1990 and 38 U.S.C. 309. Responsibilities include the direction, management and provision of policy guidance and oversight of VA's financial management personnel, activities and operations. The CFO



establishes financial policy, systems and operating procedures for all VA financial entities and provides guidance on all aspects of financial management.

010402 Under Secretaries, Assistant Secretaries, Chief Financial Officers, Finance Officers, Chiefs of Finance Activities, Fiscal Officials, Chief Accountants and other key officials are responsible for ensuring compliance with the policies and procedures set forth in this chapter.

010403 The Office of Finance, Office of Financial Policy (OFP) is responsible for developing, coordinating, reviewing, evaluating, and issuing VA financial policies, including those that impact financial systems and procedures for compliance with all financial laws and regulations. OFP is also responsible for preparing various comprehensive Departmental financial reports, such as those required by the President and the Executive Branch, including OMB and Treasury reports.

010404 The Office of Budget (Budget) provides guidance and support to the Department's Administrations and staff offices (e.g., OIT and Supply) on matters relating to budget formulation and execution. The ultimate objective of the formulation process is to ensure the timely, accurate and informed submission of VA's budget request to OMB and the President's budget request to Congress. Budget serves as the primary liaison with OMB and relevant Congressional committees during the formulation process, defending and promoting VA's program plans and budget estimates before examiners and committee staff. In addition, Budget monitors VA's budget execution process, which starts with the apportionment process.

010405 Program officials, who receive allotments which contain estimated reimbursements or other anticipated receipts, must maintain constant and careful oversight to ensure that these reimbursements and other income are earned, received and credited as planned, so that appropriate funding adjustments can be implemented if necessary. Program officials cannot use the reimbursable authority received from Congress for any other purpose than that authorized for VA.

010406 VA's Station Identification Officer, as designated by the DAS for Finance, is responsible for the following:

- Approval, assignment, and deactivation of station numbers and verification and concurrence on the official listing of station numbers for publication in the VA Consolidated Address Territorial Bulletin 1 series located at <http://www.va.gov/ofcadmin>.
- Notification to Under Secretaries, Assistant Secretaries, other key officials and respective station number liaisons, as well as all appropriate project managers, of the assignment or deactivation of station numbers or other significant changes to a station.

- Final approval on station suffix modifiers, type, abbreviation, and suffix modifier range changes.

## 0105 PROCEDURES

010501 For additional information on the elements of accounting classification structure, refer to the following:

- [Appendix A, VA Accounting Classification Structure](#)
- [Appendix B, VA Station Numbers](#)
- [Appendix C, VA Revenue Source Codes](#)
- [Appendix D, VA SGL Accounts](#)
- [Appendix E, VA Agency Location Codes](#)

010502 USSGL. VA will use and maintain general ledger accounts by appropriation, fund, and station number. These accounts contain the balances that support the use of VA appropriations and are maintained on a continuing basis until the period of availability ends, when VA must cease incurring obligations against the appropriation. In addition to the USSGL accounts published by Treasury, VA may use SGL accounts in the financial management systems that are more detailed than the USSGL chart of accounts when it is deemed necessary and the internal SGLs are rolled into a valid USSGL. Refer to [Appendix D, VA SGL Accounts](#), for additional information.

A. VA will ensure the financial system is capable of maintaining source documents<sup>5</sup> that support recording transactions at the USSGL level, provide an adequate audit trail to permit tracking a transaction from beginning to completion, and allow for the detection and systematic correction of errors. These documents may be in the form of purchase orders, invoices, receiving reports, travel orders, employee advances, and various other forms. To ensure source documentation supports transactions, the following will be completed:

1. Maintain a method of double-entry accounting for recording transactions in the general ledger at all times.
2. Maintain records of original entry and subsequent entries to support the general ledger accounts.
3. Maintain journals in such a manner that, when totaled and posted to the general ledger, the entries can be traced to the journal totals and supporting source documents. These documents represent the primary means of researching an error in a transaction and establish a tracking system, or audit trail, for postings to both the general and subsidiary ledgers.

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<sup>5</sup> Source document may be in electronic (soft) or hard copy form. For electronic formats, the documents must be accessible.

4. Maintain subsidiary accounts to provide detailed breakdown of the amounts carried in general ledger control accounts and ensure that reconciliations are performed. Postings to the control accounts and to the subsidiary records should be consistent in order to facilitate the reconciliation of subsidiary accounts with the control accounts, particularly in those instances where the subsidiary record is maintained outside of the core financial system<sup>6</sup>.

5. Exercise due care in entering transactions into its journals or records of original entry in order to ensure that the data will contain the number of the general ledger account and, when necessary, the numerical symbol of the appropriation, fund, or station involved.

B. On a monthly basis, VA finance activities and stations will perform a review and reconciliation of source documents to the applicable subsidiary report. Subsidiary accounts or records will be maintained to provide a further breakdown of the amounts carried in the general ledger control accounts. All subsidiary accounts and records should be reconciled to the general ledger, and any adjusting, closing, and reversing entries will be posted to the records. This reconciliation process will ensure that the total on each subsidiary report equals the corresponding general ledger account balance on the trial balance generated at the end of the accounting period.

#### 010503 DOCUMENTING FINANCIAL CHANGES THROUGH JOURNAL ENTRIES.

Journal entries are used as source documents for day-to-day accounting activities or to make corrections/adjustments to the VA standard general ledger (SGL) account balances and, by extension, to the quarterly and annual consolidated financial statements. They are used to record expenditure transfers, adjustments to expenditures, and Interstation transactions. In addition, journal entries are used to post estimates that will subsequently be reversed from the SGL and to post specific accounting events that cannot be accomplished using financial system functions.

A. VA finance activities will have adequate internal controls in place to ensure transactions are accurately posted and approved, as required. VA Administration CFOs and other staff offices with financial responsibilities (e.g., Office of Information Technology) are responsible for determining the necessary internal controls and levels of approval for journal entries, except those categorized MINX journal vouchers (JV).<sup>7</sup> Refer to [Volume VII Chapter 2, Consolidated Financial Statements](#), for additional information and approval of MINX journal vouchers.

B. VA will use journal entries to record changes to the financial information either through a standard or non-standard journal entry. For journal entries that will also be entered by another finance activity, the Optional Form (OF) 1017-G, will be used to

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<sup>6</sup> Some VA subsidiary accounts reside in other locations within “feeder system”, outside of VA’s primary accounting system.

<sup>7</sup> JVs categorized as related to Management Information Exchange (MINX) processing are used to adjust general ledger accounts that are not posted to FMS prior to the end of the reporting period. The adjustments are made based upon reconciliations performed for the consolidated financial statements.

document the transaction. Refer to [Appendix F, OF 1017-G, Journal Voucher, Procedures](#), for additional information and [Figure 9-4: OF 1017-G Journal Voucher](#) for the form.

1. VA may use standard journal entries to record accounting activities such as deferred maintenance, salary accruals, continuation of pay, or capitalizing an asset. Many of these transactions do not require the same level of review and approval as a non-standard journal entry, but finance activities should have a post-review process to verify that they are accurate.

2. VA will use the OF 1017-G for journal entries when the transaction will also be entered by another finance activity. Supporting documentation and the appropriate approvals will be maintained. At a minimum the following will be completed:

- The OF 1017-G will be properly prepared and adequate support provided to ensure that the journal entry accurately captures the transaction and provides a detailed audit trail.
- The OF 1017-G will be annotated to properly identify the preparer and approver. Names and titles may be represented by user identification. The preparer and approver must be different individuals to maintain the proper segregation of duties.

3. Non-standard journal entries (i.e., not based on standard FMS transactions) are used to correct abnormal balances or other general ledger problems. These are also documented on an OF1017-G. The FMS access is limited to a few individuals at the Financial Service Center (FSC) because it is a free-form entry. Each entry or transaction could potentially create accounting and reconciliation problems if they are not carefully reviewed and approved by designated accountants before posting.

a. All stations requesting non-standard journal entries must send them to the FSC for review and processing.

b. When it is necessary for a station to forward an OF1017-G to the FSC for processing, the form preparer must complete the package and go through the approval process at the respective finance activity before forwarding to the FSC.

## **0106 DEFINITIONS**

010601 Accounting Classification Structure. The data elements used for categorizing financial transactions along several dimensions that enable retrieval, summarization, and reporting of information in a meaningful way. An accounting classification structure is a “comprehensive language” that supports the traceability and data inter-operability of financial information to support budget, financial accounting, and performance reporting requirements.

010602 Adjustments to Expenditures. Adjustments made to post expenditures to the proper appropriations due to incorrect initial postings or related to the reimbursement of expenditures authorized in 31 U.S.C. 1534, Adjustments between Appropriations.<sup>8</sup>

010603 Agency Location Code (ALC). A numeric symbol assigned by Treasury used to identify an agency accounting and/or reporting office. It can be in the form of 3 digits for Regional Financial Centers, 4 digits for Non-Treasury Disbursing Offices, or 8 digits for reporting entities. In most cases, the first two digits of an 8-digit ALC identify the department or agency, the next two digits identify the bureau, and the last 4 digits identify the specific agency account section within the bureau.

010604 Budgetary Account. An account that reflects budgetary operations and conditions, such as estimated revenues, appropriations, and obligations, as distinguished from proprietary accounts.

010605 Double-Entry Accounting. Each record of a transaction has both a debit and a credit, with total debits equaling total credits.

010606 Expenditure Transfers. Represent the shifting of funds between appropriations and involve an outlay. The shifting of funds applies equally to (1) transfers of expenditures from one Federal agency to another, (2) transfers from one appropriation to another within the same agency and (3) transfers to an inter-agency or intra-agency working fund. All transfers between Federal funds (general, special and non-trust revolving funds) and trust funds are also treated as expenditure transfers.

010607 Interstation Transactions. Transfer between VA entities as the result of a purchase of an asset or the incurrence of a liability. The asset or liability originally represented an expenditure (payment) transaction and is subsequently recorded against another VA station.

010608 Journal Entry. Written authorization that usually serves to confirm or vouch for the occurrence of financial transactions. The entry serves as an integral part of the audit trail and bears an appropriation symbol code, a financial management system number, transaction date, amount, ledger account(s) affected, and the signatures (or user identification) of preparer and approver. The Explanation column on a typical OF 1017-G, Journal Voucher, allows for references to documentary evidence supporting the transaction, along with a brief description of the transaction.

010609 Proprietary Account. An account that shows actual financial position and operations, such as actual assets, liabilities, fund balances, revenues, and expenditures, as distinguished from budgetary accounts.

010610 Reimbursable Agreements. Also known as a buy/sell activity; a contractual relationship under which a Federal agency may enter into an agreement with another

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<sup>8</sup>This statute is intended to facilitate "common service" activities.

Federal agency and accept funding from the entity as reimbursement for the cost of goods provided or services rendered. Reimbursable agreements are a type of Intragovernmental transaction. Refer to Volume I, Chapter 11, Reimbursable Agreements.

010611 Revenue. The inflow of resources brought into VA, earned through exchange transaction activity or received through non-exchange transactions. This may include sales of products (sales), rendering of services (revenues) and earnings from interest, dividends, lease income and royalties.

010612 Revenue Source Code. A revenue source code identifies and classifies the type of revenue and receipts defined by the user. For example, categories could be rental income, sales by product type, income by type of service performed among others.

010613 Station Number. A three digit identifier to recognize a VA installation or a parent relationship. The station may be a stand-alone facility under a single 3 digit number or may be a parent station with substations (two digit suffix modifier) as children. The substations are generally integrated facility identifiers or smaller facilities under the authority of the parent as is the case of outpatient clinics.

010614 System-Generated Journal Entry. A journal entry created within FMS or interfaced to FMS.

010615 Treasury Appropriation Fund Symbol (TAFS). A summary account established in the Treasury for each appropriation and fund showing transactions to such accounts. Each such account provides the framework for establishing a set of balanced accounts on the books of the agency concerned. As used in OMB Circular A-11, Preparation, Submission and Execution of the Budget, this phrase refers to general fund expenditure accounts, special fund expenditure accounts, public enterprise revolving funds, intra-Governmental revolving funds, management funds, trust fund expenditure accounts and trust revolving fund accounts. TAFS is also known as Treasury Appropriation Symbol (TAS).

## **0107 RESCISSIONS**

010701 VA Volume I Chapter 2, Standard General Ledger, January 2009

010702 VA Volume I Chapter 3, Maintenance of Standard General Ledger, January 2009

010703 VA Volume I Chapter 4A, Revenue Source Codes, August 2009

010704 VA Volume I Chapter 4B, Account Classification Codes, January 2009

010705 08GA1.10 Journal Voucher Preparation and Approval, July 14, 2008

010706 VA Directive 0030, VA System of Uniform Station Identification.

010707 VA Handbook 0030, VA System of Uniform Station Identification Procedures.

010708 MP-1, Part II Chapter 34

## **0108 QUESTIONS**

Questions concerning these financial policies and procedures should be directed as follows:

VHA	VHA CFO Accounting Policy (10A3A) (Outlook)
VBA	VAVBAWAS/CO/FINREP (Outlook)
All Others	OFP Accounting Policy (Outlook)

## **0109 REVISIONS**

<b>Section</b>	<b>Revision</b>	<b>Office</b>	<b>Effective Date</b>
Overall	Rescinded Volume I, Chapters 2, 3, 4A, and 4B, and Bulletin 08GA1.10, merged information into new chapter.	APPS (047GA)	May 2012
Overall	Updated chapter to align with FSIO CGAC guidance and relationship to VA.	APPS (047GA)	May 2012
Chapter and Appendix B	Reference and policy for station identification updated and incorporated from Dir/Hdbk 0030.	APPS (047GA)	May 2012
Chapter and Appendix F	Reference and policy for journal entries and journal vouchers updated and incorporated from bulletin.	APPS (047GA)	May 2012



## APPENDIX A: VA ACCOUNTING CLASSIFICATION STRUCTURE

**BACKGROUND:** The CGAC structure comprises the minimum data needed to comply with internal and external reporting requirements, including preparation of financial statements, reporting on the agency's budget and the cost of programs, and other financial-related processes such as funds control and cost accounting. Refer to the [Federal Financial Management Standards, Overview of the CGAC](#) for general Federal guidance.

The CGAC structure increases standardization in the following ways while still providing an agency mission-specific needs within the standard structure:

- Identifies the elements to be used for classification;
- Establishes standard names, definitions, and formats for the elements; and
- Aligns the values of similar codes used by OMB and Treasury.

Some of the basic components of the Federal CGAC include the funding source, the program financed, and the organization responsible for managing resources. The USSGL, a mandatory component of the classification structure, provides a uniform chart of accounts to enable consistent recording of financial events and consolidation of data at the government-wide level.

The data elements that make up an accounting classification structure are not limited to the ones entered on a transaction. Many of the data elements that classify transactions are derived by a financial management system based on business logic or associations between data elements established when the system is initially configured. An example of this is the use of an agency-assigned internal fund code (entered on a transaction) to derive the full Treasury Account Symbol (TAS) used for reporting. Both the internal fund code and the derived TAS are considered elements of the accounting classification structure.

A. VA will maintain the accounting classification structure in accordance with the above policy guidance and ensure that the required elements are maintained independently. For example, budget fiscal year must be maintained as a separate value from the period of availability component in the Treasury Appropriation Fund Symbol (TAFS).

B. The accounting classification structure includes the following elements. The VA name is identified in parenthesis.

- Treasury Account Symbol (TAS) - An identification code assigned by Treasury, in collaboration with OMB and the owner agency, to an individual appropriation, receipt, or other fund account. The term "Treasury Appropriation/Fund Symbol"

(TAFS) is used to describe a particular type of TAS—one with budget authority. The terms TAS and TAFS are sometimes used synonymously. Refer to [Volume II, Chapter 2, VA's Budget Cycle and Fund Symbols](#).

- Budget Fiscal Year (BFY) - The fiscal year in which the obligation is made and captured on the obligating document; it is used to distinguish whether subsequent adjustments affect a prior year or the current year. The budget fiscal year is not the same as the TAS period of availability.
- Internal Fund Code (Fund) - An agency-assigned code value for a fund. It is a shorthand code entered on transactions and enables the derivation of the account identification codes (appropriation, receipt, or other TAS) required for reporting externally to Treasury (the TAS) and OMB (the budget account).
- Organization (Station Number) - An agency-assigned code value that identifies the entities that manage resources below the agency and bureau levels and are responsible for carrying out the programs and activities of the Federal government. VA uses a three digit identifier to recognize a VA organization or station. The station may be a stand-alone facility under a single 3 digit number or may be a parent station with substations (suffix modifier) as children. The substations are generally integrated facility identifiers or smaller facilities under the authority of the parent as is the case of outpatient clinics. Refer to [Appendix B, VA Station Numbers](#), for additional information on maintain the station numbers.
- Program, Project, and Activity (Accounting Classification Code (ACC) or Construction Project Code) -
  - Program - An agency assigned code that categorizes financial information by strategic goal, program, project, and line of business; they are used to describe what an agency does and the types of things for which it is funded.
  - Project - An agency assigned code that identifies a planned undertaking of something to be accomplished or produced, or an undertaking having a finite beginning and end. Examples are a construction project, a research and development project, and a reimbursable project.
  - Activity - Identifies the actual work task or step performed in producing and delivering products and services, or the aggregation of actions performed within an organization that is useful for purposes of activity-based costing. An activity, in this context, is not the same as a “budget activity,” which is generally another name for a program.

VA's accounting classification code is a nine-digit character code that is defined in the Fund Control Point/Project Table (PGMT) in the financial system. The ACCs are established in PGMT for each budget fiscal year. The PGMT contains

information on standard ACCs used by more than one station and non-standard codes that are used by a single station. Users may identify the standard ACCs in the PGMT by an asterisk \*) in the Station field

- **Cost Center (Cost Center)** - An agency-assigned code that identifies a logical grouping of one or more related activities or organizational units into a common pool for the purpose of identifying the cost incurred. The VA cost centers are distinguished by area of responsibility or geographic region and are symbolized by a four-to-six-digit code used to identify the organizational elements. Refer to Volume XIII, Chapter 1, *Cost Centers*.
- **Object Class (Budget Object Code)** - A code that classifies obligations by the items or services purchased by the Federal government (e.g., personnel compensation, supplies, rent, or equipment). While OMB establishes the standard codes, titles, and definitions of the object class, an agency may further define extensions for capturing additional detail to support internal information needs. Refer to Volume XIII, Chapter 2, *Budget Object Codes*.
- **Revenue Source (Revenue Source Code)** - An agency assigned code that classifies revenue and receipt transactions by the type or source of revenue. Refer to Appendix C, VA Revenue Source Code.
- **Budget Function or Budget Sub-Function Code** - A USSGL account attribute, used with the internal fund code to classify data according to major purpose served or national need addressed for reporting purposes. These codes may be derived based on other data. Classifications are required by the Congressional Budget Act of 1974 (OMB A-11). The VA budget function or sub-function codes are derived during the operations process in FMS.
- **Accounting Period (Accounting Period)** - the time period in which a transaction is effective in the general ledger. In most instances, this time period pertains to a fiscal month within a fiscal year. However, in some instances, an accounting period represents a period that falls before or after the fiscal month and is used for recording opening balances to the period or period-end adjustments applicable to a month, quarter, or fiscal year. Accounting periods are used to group transactions by the time period in which they are reported. The VA accounting period in FMS is used to identify the fiscal month (numeric 01 to 12) or reporting period. The VA reporting periods are sequential periods assigned after period 12.

C. In addition to the policy and guidance above, following are additional accounting classification structure requirements for core financial systems. As needed, these may be further modified for the CGAC structure. Refer to the [Federal Financial Systems, Core Financial Systems Requirements Crosswalk \(June 2006\)](#) for additional information.

1. Define Additional Accounting Classifications. Define additional (lower) levels in the fund, program, project, organization and object class structures (e.g. establish parent-child relationships with the ability to summarize, distribute funds, and report data at all defined levels).
2. Classify Transactions. Classify transactions by standard and VA-defined accounting classification elements.
3. Derive Short Classification Codes. Derive full accounting classifications on transactions from abbreviated user input. Examples of methods include: entering shorthand codes, deriving elements from an entered field, or providing users with a list of values from which to choose.
4. Modify Accounting Classification Tables. Add, change, or deactivate elements of the accounting classification structure and define valid ACE values without programming changes (e.g., through online table updates).
5. Capture Accounting Classification Effective Date. Capture an effective date for accounting classification structure and valid value changes. Activate or deactivate accounting classification changes based on effective date.
6. Query Accounting Activity. Query document accounting data. Parameters include all standard and VA-defined accounting classification elements. Result, is a list of selected document accounting lines. Display the document number, accounting classification elements, and accounting line amounts. Drill down from the accounting lines to general ledger transaction details, including transaction numbers, transaction and system dates, and debits and credits.
7. Maintain an accounting classification structure that can associate each element with multiple other elements and element values, including:
  - TAS to multiple internal funds (funds)
  - Internal fund (fund) to multiple organizations (stations), programs, projects, and activities (ACCs)
  - Organization (Station) to multiple programs, projects and activities (ACCs)
  - Project code to multiple organizations (stations), programs and activities (ACCs)
  - Program to multiple organizations (stations), projects and activities (ACCs)

## APPENDIX B: VA STATION NUMBERS

A. The VA Financial Services Center (FSC) Director, his or her designee, or other designee (as assigned by the DAS for Finance), is assigned the role of VA's Station Identification Officer responsible for assigning and maintaining the uniform station number system.

B. A station number system provides a unique identifier for each station and allows for easier association, integration of financial data among systems, and naming of VA facilities. As displayed in [Figure 9-1: Station Number Groups](#), the three-digit station number also identify the functional areas of responsibility throughout VA.

**Figure 1-1: Station Number Groups**

Station Number Range	Functional Areas of Responsibility
100-199	Central activities
200-299	Automation Center or Benefits Delivery Centers
300-399	VBA activities
400-499	Medical Centers, VA Medical and Regional (VBA) Offices co-located), Veterans Integrated Service Network (VISN)
500-699 and 776-777	VHA activities
700-775 and 778-799	Miscellaneous (Supply Depots, Marketing Centers, CHAMPVA, Inspector General Offices, National Cemetery Memorial Service Networks (MSNs), National Cemetery Field Support Facilities, Canteen Service Field Offices, Prosthetics Center, National Railroad Retirement Board*, National Personnel Records Center* (military records), Army Reserve Personnel Center*), Office of Resolution Management Field Offices, Consolidated Patient Account Centers (CPAC), National Patient Safety
800-999	National Cemeteries, Manila Outpatient Clinic (964) Western Area Office (999)

*\*These non-VA activities require station numbers to access the Beneficiary Identification and Records Locator Subsystem (BIRLS).*

C. Types of Station Number Requests. Station numbering requests, to include substation requests, require a memorandum to be sent to the FSC at least 90 days prior to the effective date of the assignment. In accordance with the policy outlined in [010201.01 B. and as appropriate to the office making the request](#), requests will be sent through the Under Secretary for Health for Veterans Health Administration (for VHA), the Administration Chief Financial Officer (for VBA and NCA), or the DAS for Finance

(VA Central Office). The information is necessary to allow automated information system (AIS) managers time to incorporate changes in the appropriate AIS.

1. Following are the types of Station Number Requests.

- Reserve or Extension
- Assignment and Activation
- Name Change
- Facility Relocation
- Retire

Note: Requests to update the facility telephone number may be submitted in an e-mail to the FSC; these do not require a memorandum. The telephone numbers are used when generating information that may be released to Veterans and Providers.

2. Each memorandum request will identify the type of station, name, and location of the station, the effective date of the assignment, and the point of contact that will serve as the station number liaison on all station number matters affecting proposed changes to their particular field facilities. The request will include:

- a. Type of request;
- b. Date the requested action will take place;
- c. Facility and Telephone Number;
- d. Station number(s) affected, when already established;
- e. Point of contact (POC) name, telephone, and e-mail; and
- f. Parent Station if request relates to a suffix number.

D. Additional Considerations for Station Number Requests.

1. Any missing information that is not known at the time of the station reservation request must be provided to the VA Station Identification Officer by e-mail at [vafscaccountingsystemoversight@va.gov](mailto:vafscaccountingsystemoversight@va.gov) within a reasonable timeframe of the memorandum, not to exceed 1 year from the date of the memorandum notification generated by the VA Station Identification Officer. The e-mail received by the facility must provide a POC or designee. The FSC will contact the POC or designee listed in the e-mail notifying of a required extension of reservation or missing information.

Reserved station or suffix number will not activate until all required information is provided to the VA Station Identification Officer. If missing information or no request for activation or extension of reserved status is received within one year, a reserved station number that has not been activated or extended will be cancelled.

2. VA facilities are generally named after the geographical location where they are located. VA facilities may be named in honor of individuals only when authorized by congressional mandate or Executive Order of the President. Parts of facilities, such as individual buildings, wings of buildings, patient treatment wards, and auditoriums, may be named in honor of individuals, if approved by the Secretary of Veterans Affairs. Copy of the congressional mandate or Executive Order of the President must be attached to the station request.

3. VA may assign a new station number to a replacement facility when the replacement facility is built at a location different from the original facility that it replaces. These requests will contain a statement specifying that the new facility will be situated at a location different than the current site of the facility.

4. Several stations may share the same location, but under the leadership of individual directors. In these cases, a separate station number may be assigned to each station.

5. When a station is closed, the station number will retire and will not be reassigned.

6. When a VHA regional office activity and a medical center are combined to form a new facility, a new station number will be assigned.

E. To facilitate the exchange of data between two or more systems and maintain consistency, program managers will request a substation (suffix modifier) when it is necessary to uniquely identify. For example:

1. A medical center or domiciliary division of a complex station.

2. A facility separate from the parent station.

3. A non-VA facility where reports are generated either by or through a VA station. The suffix modifier is appended to the VA station number that represents the data on behalf of the non-VA station. For example, a private medical facility treating VA patients would be identified by using the VHA medical center station number (that authorizes treatment) and then adding a suffix modifier.

F. Within a particular reporting structure, a specific suffix modifier will be uniformly applied to identify a specific function as listed in [Figure 9-2: Station Suffix Modifiers](#).

1. Components of medical and regional office centers or medical center complexes are not stations and will not be identified by separate station numbers. When the need



arises for these components to be uniquely identified, and such identification is not provided for by other means, a suffix modifier will be assigned to the basic station number.

2. Suffix modifiers will not be used to identify routine activities of typical stations,

**Figure 1-2: Station Suffix Modifiers**

Substation Type	Abbreviation	Suffix Modifier Range
VBA Substation	VBASUB	AA - AZ
Subsidiary Neural Psychiatric Hospital	VANPH	A0 – A3
Subsidiary General Medical and Surgical and Miscellaneous Integrated Hospital	GM and S/MIH	A4 - BT
Subsidiary VA Domiciliary	VADOM	BU- BX
Subsidiary Pharmacy (Outpatient Pharmacy)	PHARM	CA - CF
Subsidiary Prosthetics Research and Development Center	PRDC	GG - CJ
Subsidiary Supply and Distribution Center	SDC	CK - CM
Non-VA Hospital ( <i>Army</i> )	NVAHA	CN - CS
Non-VA Hospital ( <i>Navy</i> )	NVAHN	CT - CY
Non-VA Hospital ( <i>Air Force</i> )	NVAHAF	CZ – C4
Non-VA Hospital ( <i>Public Health Service</i> )	NVAHPS	C5 - DA
Non-VA Hospital ( <i>Other Federal</i> )	NVAHOF	DB - DG
Non-VA Hospital ( <i>Public</i> )	NVAHP	DH - DM
Non-VA Hospital ( <i>Civil</i> )	NVAHC	DN - DS
State Home	STHOME	DT - ES
History File Construction	HFC	FA - FS
Community-Based Outpatient Clinic	CBOC	GA - GZ and G1- JA - JZ and J1- J9
Mobile Outreach Clinic	MOC	HK - HZ
Integrated Disability Evaluation System	IDES	MA - MZ
VA Community Nursing Home ( <i>at VA expense</i> )	VACNH	NH- NZ
VA Restoration Center	VARC	ET - EW
VA Restoration Center Domiciliary	VARCD	EX - EZ
VA Nursing Care	VANC	9A – 9E
State Nursing Home	STNH	9F – 9J
Community Nursing Home	CNH	9AK – 9AZ
Employee Education System	EES	D2-D9, E2-E9, F2-F9
Psychosocial Residential Rehabilitation Treatment	PRRTP	PA-PN
National Suicide Hotline Call Center	NSHCC	SH – SK

## APPENDIX C: VA REVENUE SOURCE CODES

**BACKGROUND.** This appendix provides the procedures and requirements for managing and assigning VA revenue source codes. VA's revenue source code is a unique four-digit code to define revenue sources within different VA programs. The codes in FMS represent the mechanism to identify the applicable accounts receivable to move into the next fiscal year as part of the annual close process. Existing revenue source codes fall into two categories: (1) asset management revenue source codes and (2) non-asset management revenue source codes.

VA managers and other designated employees will use VA's Financial Management System (VA FMS) capability to assist them in carrying out their program responsibilities effectively and efficiently and in fulfilling their internal and external reporting requirements, including reports on revenue transactions, such as the following:

- Report of Revenue Transaction Level Details by each Treasury Appropriation Symbol/Treasury Appropriation Fund Symbol (TAS/TAFS) Total on the FMS-224, *Statement of Transactions*.
- Available Funds Report(s) for each TAS/TAFS that is subject to Treasury's reporting requirements, inclusive of revenue transactions.
- Revenue Activity Summary Report at the internal fund organization and TAS/TAFS levels. The activity summary must provide the following data elements for each applicable General Ledger account, at a minimum:
  - The balance at the beginning of the accounting period.
  - The total amount of debits by transaction type for the accounting period.
  - The total amount of credits by transaction type for the accounting period.
  - The cumulative ending balance for the accounting period.
- Federal Agencies' Centralized Trial-Balance System I (FACTS I<sup>9</sup>) revenue data, as required by Treasury's Financial Management Service, in any Governmentwide financial report.

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<sup>9</sup> FACTS I/II are being replaced by the Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS) which is slated to go into production December 2013. GTAS was also developed under the CGAC structure and streamlines agency reporting.

## **PROCEDURES.**

A. VA managers will determine the validity of and the need to make any changes to revenue source codes by reviewing the existing revenue source codes to determine if they are still valid, need a description modification, or should be deleted. Requests for any new revenue source codes or changes/deletions to current revenue source codes will be forwarded to the Office of Financial Systems and Operations via Microsoft Outlook mailbox, "ACC\FCP Requests."

B. VA FMS is designed with the flexibility to accommodate new and emerging reporting requirements, both internally and externally, to enable individual operating components to carry out program responsibilities effectively and efficiently.

1. VA's revenue source codes will consist of a total of four characters which may be alpha, numeric, or alpha-numeric, to identify the organization earning the revenue.

2. VA's revenue source codes will be assigned by using a standardized and unique numbering scheme as follows:

a. Enhanced sharing assets must begin with an alpha character of "A" followed by three sequential numbers;

b. Enhanced use-lease assets must begin with an alpha character of "E" followed by three sequential numbers; and

c. Out-lease assets must begin with an alpha character of "U" followed by three sequential numbers.

3. The numbering scheme will support the activities below:

- Transactions that record revenues based on sales of products or services, where the products or services are delivered prior to or concurrent with the payment.
- Transactions that allocate receipts to unearned revenue/advances (e.g., allow for entry of receipts to an advance United States Standard General Ledger account, either on an individual transaction basis or for a class of transactions, based on a predefined attribute or combination of attributes).
- Transactions that reclassify prior receipts to earned revenue based on some pre-determined factor, such as an application process that allows for the earning of 25 percent of the fee as earned revenue as each step of the process is completed.

C. VA will use revenue source codes in the following activities:

1. Supply Fund activities will use a numbering scheme that begins with "SF," "SM," and "SR," followed by two numeric characters for its revenue activities.
2. Veterans Health Administration (VHA) will use revenue source codes for the Medical Care Collection Fund (MCCF) revenue activities and other reimbursable activities. The numbering schema will begin with either code "81" through "89" with a combination of alpha-numeric for the third and fourth positions – or – with code "8A" through "8P" with a combination of alpha-numeric for the third and fourth position.
3. VHA General Post Fund and National Cemetery Administration (NCA) National Cemetery Gift Fund activities will use a numbering scheme that begins with a "9" for revenue activities.
4. Veterans Benefits Administration (VBA) Loan Guarantee Programs will use a numbering scheme beginning with an "L" for revenue activities.

## APPENDIX D: VA SGL ACCOUNTS

**BACKGROUND.** The USSGL is the basis for VA's's Chart of Accounts, which provides control over all financial transactions and resource balances, and represents the basic structure for VA's financial accounting and reporting functions, including proprietary, budgetary and any memorandum accounts. The procedures in this appendix will be used to assign and maintain VA's SGL accounts. Because budgetary and proprietary accounts form the basis for producing required budgeting and financial reports, ensuring consistency in the accounting treatment of similar transactions creates reliable data used for planning, budgeting, reporting, and other management purposes.

A. USSGL Account Structure. The USSGL account structure is intended to be the minimum account structure providing a self-balancing set of accounts (the total debits equal total credits).and is used by Federal agencies to support the preparation of standard external reports, required by the OMB and the Treasury. The Chart of Accounts identifies and defines budgetary, proprietary, and memorandum accounts to be used in VA accounting systems. Refer to the appropriate Treasury FMS USSGL web sites for reference, <http://www.fms.treas.gov/ussgl/index.html>.

1. Proprietary asset and liability accounts cover the receipt of funds in the Treasury, the proper classification of assets (such as receivables, prepayment, inventory, and fixed assets), and the recognition and proper classification of liabilities. The transactions in these accounts provide information on how operations are functioning, as well as to ensure that the basic accounting equation remains in proper balance. The financial control provided through accounting records for property provides managers with a tool that helps to discharge effectively their stewardship function for those resources.

2. Budgetary accounts reflect the recording of appropriation, apportionment, allocation, commitment, obligation, revenue, and expense process. Revenue and expense accounts measure the realization of revenues from reimbursements and the recognition of costs through the use and consumption of assets. The transactions involve anticipating resources, realizing resources, or changing the status of resources.

B. In addition to the USSGL accounts published by Treasury, VA may use SGL accounts in the financial management systems that are different from the USSGL chart of accounts when it is deemed necessary and the internal SGLs are rolled into a valid USSGL.

VA's 4-digit SGL accounts are classified as follows:

- 1000 Assets
- 2000 Liabilities
- 3000 Net Position
- 4000 Budgetary

- 5000 Revenues and Financing Sources
- 6000 Expense
- 7000 Gains/Losses/Extraordinary Items, etc.
- 8000 Memorandum<sup>10</sup>
- 9000 Memorandum

5. The standard account attributes required for reporting proprietary account information, namely, Federal Agencies' Centralized Trial-Balance System I (FACTS I), and reporting budgetary account information, Federal Agencies' Centralized Trial-Balance System II (FACTS II),<sup>11</sup> are listed in Section IV of the USSGL authority citation.

## **PROCEDURES.**

### **A. Maintenance of USSGL Accounts**

1. VA will maintain general ledger accounts (FMS GLAC tables) and appropriate reference tables (e.g. ACED/ACEN). The GLAC resides within FMS and contains a list of SGL accounts. To establish accounts under the GLAC Table, accountants within the various VA operating areas submit specific request forms to the Office of Financial Policy (OFP) personnel for approval. The Transaction Review Group, along with the OFP staff, reviews the requests for approval. Once approved, organizational accounts are established within the GLAC and are ready for use in FMS.

2. VA will maintain only those accounts that are current to VA's operations and adjust accounts annually based on any changes recommended by Treasury for the USSGL application. VA's Chart of Accounts should reflect only those accounts that are used within continuing operations. VA will review Treasury's annual guidance to determine whether new budgetary and proprietary accounts should be added to the Chart of Accounts, whether existing accounts require modification or definitional change, or whether existing accounts require deletion from the financial management systems.<sup>12</sup>

**B. Establishment and Updates of USSGL Accounts (VA FMS GLAC Table).** The request for establishment or updates to VA USSGL accounts are processed through the respective Administration or staff offices.

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<sup>10</sup> USSGL 8000 is currently used by VBA for credit reform transactions, however, they are researching the feasibility in using these accounts to capture purchases of PP&E for intragovernmental transactions.

<sup>11</sup> FACTS I/II are being replaced by the Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS) which is slated to go into production December 2013. GTAS was also developed under the CGAC structure and streamlines agency reporting.

<sup>12</sup> The USSGL is updated annually by Treasury to recognize new business events and associated transaction types. These changes are published on Treasury's website for review and adoption by agency financial operations at: <http://www.fms.treas.gov/ussgl>.

1. Operating area accountants will complete the General Ledger Account Request form (FMS GL Updates Request Form, <http://www.va.gov/finance/policy/links.asp>) to have general ledger accounts established or updated within the GLAC Table.
2. The completed request form will be submitted to the immediate supervisor for review and signature. The signed form is then forwarded to OFP for review and approval. A Transaction Review Group assists OFP in this process. Refer to the FMS GL Updates Process document, <http://www.va.gov/finance/policy/links.asp>.
3. Designated OFP personnel review the submitted forms for accuracy and perform checks-in-balances against the already established GLAC. Once a form is approved by OFP, an account is established within the GLAC and the FMS for use by the requesting organization.
4. OFP then notifies the requesting organization that the request has been approved and that an account has been established within the GLAC and is ready for use.



## APPENDIX E: VA AGENCY LOCATION CODES

This appendix provides procedures for the maintenance of the ALCs, to include requests for establishing, changing, or canceling an ALC. Questions related to ALC policy should be addressed to – OFP Cost and Debt Management Service (047GC).

### A. Annual Review of ALC Contacts.

Annual Review of Contact List. The assigned FSC Financial Accounting Service (FAS) accountant will verify/update the assigned VA ALC contacts, as identified in [Figure 3 - Active VA ALCs and Contacts](#) annually (December). The accountant will verify, by e-mailing or calling the individual contact and make any necessary changes. If the contact does not respond, the official will be contacted.

### B. Procedures for Maintaining ALCS.

1. New Request. A new request should only be made when a new major system or program is created and requires separate tracking from an existing system or program (e.g. replacement corporate financial system).

a. A request for a new ALC will be submitted in a memorandum to the FSC Transaction Review mail group. The FSC Transaction Review will assign the request to an FAS accountant. The ALC request must contain the following information:

- ALC – Proposed ALC Number
- Location – Agency address requesting ALC
- Program – Name of program
- Contact
- Contact Phone Number
- Official – AD or Director name, Title, and phone number
- Detailed Justification

b. The FAS accountant will verify the memorandum request, to determine its propriety and whether the proposed ALC number is available and within the correct numbering sequence. All VA ALCs begin with 3600 and are an eight digit number. The last 4 digits are assigned based on the following station number sequence:

- Staff Offices: 100/200 series
- VBA: 300 series
- VHA: 400 – 600 series
- NCA: 700 - 900 series
- Canteen: 785.

- Manila: Exception - ALCs are 14 digits - 1<sup>st</sup> 4 is the agency locator code, 5<sup>th</sup> and 6<sup>th</sup> is the bureau code, 7<sup>th</sup>-10<sup>th</sup> is the ALC for Global Financial Service, 11<sup>th</sup> – 14<sup>th</sup> is the Disbursement Office.

c. Once the information is verified, the FAS accountant forwards the request to the FAS Associate Director (AD) with their recommendation. If approved, a letter will be created containing all the information above and addressed to:

***Cash Accounting Division (ALC Request)  
Department of Treasury – FMS  
Financial Management Service  
3700 East-West Hwy., (Room 500E)  
Hyattsville, MD 20782  
202-874-9866***

Once the ALC is established the FAS Accountant will inform the requestor and the Chief of the FSC FAS Accounting Reconciliation and Report Division.

## **2. Cancel ALC Request.**

a. A request to cancel an ALC will be submitted in a memorandum to the FSC Transaction Review mail group. The FSC Transaction Review will assign the request to an FAS accountant. The request should only be sent after the Statement of Differences has been cleared and no activity to the ALC has been posted for the past year. The ALC request must contain the following information:

- ALC – ALC being canceled
- Location – Agency address
- Program – Name of program
- Contact
- Contact Phone Number
- Official – AD or Director name, Title, and phone number
- Detailed Justification – Include where activity should be reported if any occurs in the future

b. The FAS Accountant will verify the memorandum request and forward the request to the FAS AD with their recommendation. If approved a letter will be created containing all the information above and addressed to:

***Cash Accounting Division (ALC Request)  
Department of Treasury – FMS  
Financial Management Service  
3700 East-West Hwy., (Room 500E)  
Hyattsville, MD 20782  
202-874-9866***

- c. Once Treasury FMS has canceled the ALC and notified FAS, the FAS Accountant will inform the requestor and the Chief of the FSC FAS Accounting Reconciliation and Report Division.

*Figure 1-3 - Active VA ALCs and Contacts*

ALC	LOCATION	PROGRAM	CONTACT	PHONE	RESPONSIBLE OFFICE
<b>36000102</b>	Fincl Svcs Ctr (0474) 1615 Woodward Street Austin, TX 78772	OGA Payroll	Tom Voyce	512-460-5257	Edward Niedzielski AD FSC FAS 512-460-5000
<b>36000103</b>	VA Central Office (241B) Office of Budget and Finance 810 Vermont Ave., NW Washington, DC 20420	Insurance and Housing Investments	Leonard Goldring	202-461-9932	James E Manker Jr, CFO/Director 202-461-9900
<b>36000105</b>	VA Central Office (047GB) Office of Fincl Rpts Svc 810 Vermont Ave., NW Washington, DC 20420	General Post Fund Investments	Hien Dang	202 461-6501	Steve MacQueen Director 202-461-6494
<b>36000200</b>	Financial Services Center (0474B) P.O. Box 149975 Austin, TX 78714-9575	PAID	Tom Voyce	512-460-5257	Edward Niedzielski AD FSC FAS 512-460-5000
<b>36000201</b>	Dept of Veterans Affairs Hines Finance Center (201/241) P.O. Box 7001 Hines, IL 60141-7001	Benefits Payments	Doug Doyle	708-681-6753	Christine Bensedira Director 708-681-6650
<b>36000310</b>	Dept of Veterans Affairs Regional Office & Insur Ctr P.O. Box 8079 Philadelphia, PA 19101	Insurance	Johanna Fox	215-842-2000 ext: 2066	Lewis Irby Chief of Accounting 215-842-2000 ext: 4563

**Department of Veterans Affairs  
VA's Accounting Classification Structure**

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<b>ALC</b>	<b>LOCATION</b>	<b>PROGRAM</b>	<b>CONTACT</b>	<b>PHONE</b>	<b>RESPONSIBLE OFFICE</b>
<b>36000331</b>	Dept of Veterans Affairs Regional Office Finance Division (331-241) 400 S 18 <sup>th</sup> Street St. Louis, MO 63103	USCG Education	Steven R. Baxter	314-552-9828	Lynn Flint, Director 314-552-9822
<b>36000335</b>	Dept of Veterans Affairs RO & IC Accounting (241) Bishop Henry Whipple Fed Bldg – Ft. Snelling St. Paul, MN 55111	Debt Management	Gene Freier	612-970-5730	Dan Osendorf Deputy Director 612-970-5701
<b>36000785</b>	Dept of Veterans Affairs 1 Jefferson Barracks Rd., Bldg. 1 St. Louis, MO 63125-4194	Canteen	Judy Cordes, Mary Schieler, Melvin Phillips, Tanya Gent	314-845-1307 314-845-1320 314-845-1336	Marilyn Iverson Director 314-845-1207
<b>36001200</b>	Financial Service Center Rpts & Recon Div. (0474B) P.O. Box 149975 Austin, TX 78714-9575	VHA, GOE, NCA, Housing, Admin, IG	Tom Voyce	512-460-5257	Rodney W. Wood, Director 512-460-5000
<b>36-03- 8708-0390</b>	Dept of Veterans Affairs – Manila DPO AP 96515 RO Manila	Manila GOE, Med Svcs, Med Admin, Med Facilities, Suspense	Marilou Madla Wesley Canlas Odette Bejer Nicolas Carrillo	011-632-301-2508 011-632-301-2506 011-632-301-2000 X 6251	Tony Carrick Chief Support Svs Div 011-632-301-2560
<b>36-02- 8708-0390</b>	Dept of Veterans Affairs – Manila DPO AP 96515 RO Manila	Manila Insurance Collections	Marilou Madla Wesley Canlas Odette Bejer Nicolas Carrillo	011-632-301-2508 011-632-301-2506 011-632-301-2000 X6251	Tony Carrick Chief Support Svc Div 011-632-301-2560

C. Deactivated Treasury Agency Location Codes (ALCs) for VA, as of November 29, 2011

ALC	Primary Office	Area	POC	Phone	Responsible Office POC
36000455	Department of VA GPO Box 364867 San Juan, P.R.	Canceled (deactivated) in 2008	Canceled (deactivated) in 2008	Canceled (deactivated) in 2008	Canceled (deactivated) in 2008

## APPENDIX F: OF 1017-G, JOURNAL VOUCHER, PROCEDURES

A. Journal entries required to be entered by another finance activity or non-standard journal entries entered by the FSC will be supported by a completed OF 1017-G, Journal Voucher (OF 1017-G). Refer to [Figure 9-4: OF 10-17-G, Journal Voucher](#).

Some of the most common journal entries are:

- A direct disbursement transaction used to record expenditures for invoices from other government agencies. These do not require an OF 1017-G to be completed, but source documentation to identify the charge and obligation should be maintained either in soft or hard copy. IPAC transactions processed as journal entries transactions should be properly supported and referenced.
- An advance disbursement transaction used to record advances and advance offsets for invoices from other government agencies. These do not require an OF 1017-G to be completed, but source documentation to identify the charge and obligation should be maintained either in soft or hard copy. IPAC transactions processed as journal entries transactions should be properly supported and referenced.
- A transfer of accounting activities (assets, liabilities, or expenditures) to record transfers between stations. These transactions may require an OF 1017-G to be prepared if the transaction will also be entered by another finance activity. The finance office processing the transaction affecting another station serviced by a different finance activity will forward a copy of the OF 1017-G and supporting documentation to the respective finance activity in soft or hard copy.
- A transfer of accounting activities to record transfers between appropriations or fund accounts. These transactions may require an OF 1017-G to be prepared if the transaction will also be entered by another finance activity. The finance office processing the transaction the transaction affecting another station serviced by a different finance activity will forward a copy of the OF 1017-G and supporting documentation to the respective finance activity either in soft or hard copy.
- A transfer of accounting activities to record a transfer within a station. The finance activity processing this transaction will retain the supporting documentation of the transfer.
- A standard journal entry to record accounting activities such as deferred maintenance, salary accruals, continuation of pay, or capitalizing an asset.
- A transfer transaction to record a transfer of funds from one account to another, such as to transfer funds from a suspense account to an appropriated fund account.



The finance activity processing this transaction will retain the supporting documentation of the transfer.

**B. OF 1017-G Preparation, Approval and Submission.**

**1. General internal procedures will ensure that the OF 10-17-G is:**

- Supported by proper and adequate documentation.
- Reviewed and approved to ensure correct amounts and proper recording of entries at the posting account, appropriation, and fund levels, as applicable.
- Annotated with the name, title, date, office symbol, and signature of both the preparer and the approver. For soft copy format, the name, title, and office symbol may be represented by user identification (user ID).
- Authorized and approved at the appropriate level of management or designee. To maintain the proper segregation of duties, the preparer and the approving official will be different individuals. The approving official must have a level of authority above that of the individual preparing the OF 1017-G.
- Posted as they were approved. This should be accomplished as part of the periodic monitoring and control processes.

**2. The preparer will complete OF 1017-G, as needed, and ensure that the documentation supports the transaction request. Proper documentation, in hard or soft copy or both, is necessary to support all entries.**

- Documentation will be sufficient to provide the approving official and the auditors a clear understanding of the OF 1017-G and the ability to determine whether it is proper and accurate.
- A request for a journal entry not supported by accurate or proper documentation will be denied and returned with a request for additional information required to process the OF 1017-G along with any applicable authoritative guidance to support the need for the journal entry.
- Where detailed transaction are summarized in the form, the supporting documentation will be attached to the OF 1017-G. Detailed transaction information will be attached to the actual OF 1017-G or a location (e.g., shared drive, SharePoint) provided that identifies the supporting documentation.

**3. The preparer will sign and submit the OF 1017-G and supporting documentation to the approving official for review. Where the process is mainly done in soft copy, submission may also include entering the transaction into the financial system of record.**

4. Journal entries entered by another finance activity: The approving official will review and approve (or reject) the OF 1017-G. Once approved, the preparer will enter the transaction into the financial system (if not completed in step 3. And forward a complete and approved copy of the package to the other finance activity.

5. Non-standard journal entries entered by the FSC: After the approving official has approved and initialed the OF 1017-G, the preparer will submit the completed package to the FSC Nationwide Accounting Help Desk Section accountant for review and input into the system. The station listing can be found at <https://vaww.fmsaccountresource.fsc.va.gov/ContactInfo.aspx>.

**C. Rejection of an OF 1017-G.**

1. OF 1017-G packages submitted to another finance activity may be returned to the JV preparer if there is insufficient documentation to support the request. Before returning the package, the finance activity should contact the submitting finance activity for additional information to address question and concerns. If the submitting finance activity cannot provide the requested supporting information, the JV package will be returned and the initial journal entry reversed. Subsequent requests will be submitted in accordance with the procedures in section B. above.

2. OF 1017-G packages (non-standard journal entries) submitted to the FSC for processing will be returned immediately to the JV preparer when there is insufficient documentation to process the journal entry. It is the responsibility of the preparer to research and resubmit the package through the review and approval process in section B. above. Packages may also be rejected if a standard transaction or other acceptable entry can be used to enter the JV transaction. The FSC will clearly annotate why packages are returned.

## JOURNAL VOUCHER

Optional Form 1017G (9-79)  
Title 7, GAO Manual